

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: REAL PROPERTY TAX SERVICES

DATE: MARCH 31, 2008

COMMITTEE MEMBERS PRESENT: OTHERS PRESENT:

SUPERVISORS	HASKELL	MICHAEL SWAN, DIRECTOR, REAL PROPERTY TAX SERVICES
	BENTLEY	
	THOMAS	FREDERICK MONROE, CHAIRMAN
	GOODSPEED	PAUL DUSEK, COUNTY ATTORNEY
	STRAINER	TRISH NENNINGER, SECOND ASSISTANT COUNTY ATTORNEY

COMMITTEE MEMBERS ABSENT:	HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE & FISCAL SERVICES
SUPERVISORS BELDEN	JOAN SADY, CLERK OF THE BOARD
MERLINO	KEVIN GERAGHTY, BUDGET OFFICER
	SUPERVISOR STEC
	TODD LUNT, DIRECTOR OF HUMAN RESOURCES
	TOM RANDALL, <i>THE ADIRONDACK JOURNAL</i>
	CHARLENE DiRESTA, LEGISLATIVE OFFICE SPECIALIST

In the absence of the Committee Chairman, Mr. Haskell, Vice-Chairman called the Real Property Tax Services Committee meeting to order at 11:15 a.m.

Motion was made by Mr. Bentley, seconded by Mr. Thomas and carried unanimously to approve the minutes of the previous Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Michael Swan, Director of Real Property Tax Services, who distributed copies of his agenda to the Committee members; *a copy of the agenda is on file with the minutes.*

Mr. Swan notified the Committee that there were no corrections to the tax rolls from the County Treasurer's Office for this month. He indicated that the Budget Performance Report through March 31, 2008 was included in the agenda packet for the Committee's review.

Mr. Swan announced that the County had received two offers for the purchase of the Corlew Property on the Boulevard in the Town of Queensbury. He reminded the Committee that the parcel had been put out for sealed bid in January. He added that both offers had been included in the agenda packet. One of the offers

was for \$100, he continued, and the other was for \$6,000. He reported that both offers had been reviewed by the County Attorney's Office and the \$6,000 offer, with some minor changes, would be a good offer for the County to accept. Trish Nenninger, Second Assistant County Attorney, apprised that the County Attorney's Office had reviewed the contracts and recommended a quit claim deed, to which the potential purchaser was agreeable. She stated that some of the terms relating to the title would need to be clarified; however, she added, the County Attorney's Office recommended that the offer be accepted. Mr. Swan explained that the County had taken possession of the property seven years ago 'by accident' and the parcel was 1/3 of a building at 26 Boulevard in the Town of Queensbury. The property had gone out to bid several times, he continued, and had gone out to bid again in January with no minimum bid required and received no response. Mrs. Nenninger injected that the potential purchaser wanted to sign the contracts on April 1, 2008; however, she added, the County would need to add a contingency that the sale of the property would be subject to the approval of the Board of Supervisors at the April 18, 2008 Board meeting.

Discussion ensued as to the location of the property.

Motion was made by Mr. Goodspeed, seconded by Mr. Bentley and carried unanimously to authorize a counter offer for the sale of Parcel No. 303.20-1-12 in the Town of Queensbury, for the sum of \$6,000, with minor changes to the contract. *A copy of the resolution request is on file with the minutes and the necessary resolution was authorized for the April 18, 2008 Board meeting.*

Mr. Swan reminded the Committee that there had been several requests from the Adirondack Community Housing Trust (ACHT) to partner with the County in their efforts to create affordable housing for middle income (\$40,000 to \$50,000 per year) families. They had requested that after foreclosure, he continued, properties could be sold to the ACHT for the cost of back taxes, prior to the County Land Auction. He stated that the County Attorney's Office had advised that there was no legal way for the County to participate in this. He added that the ACHT could investigate the possibility of working directly with each municipality.

Paul Dusek, County Attorney, clarified that due to the fact that the ACHT was a non-profit organization, the constitutional prohibition against gifts prohibited the County from partnering with the ACHT in this way. The properties could be appraised and sold to the ACHT for the fair market value, he continued, or the ACHT could bid on the properties at the County Land Auction. Mr. Haskell asked for clarification if the properties could be appraised and sold to the ACHT prior to the County Land Action and Mr. Dusek replied affirmatively and added that the

ACHT could possibly acquire the properties for less at the auction than by direct sale. Mr. Haskell noted that the issue had originally been referred by the Planning and Community Development Committee last year.

Mrs. Nenninger advised that she had spoken with Deanne Rehm, of the ACHT, regarding the County's position on this issue. She added that Ms. Rehm would continue to look at other options to acquire land for the project.

Mr. Swan notified the Committee that he had hired two new employees. Peter Dziedzic assumed the Real Property Information Specialist position on March 3, 2008, he continued, and Vicky Barrett would assume the Real Property Clerk position on April 7, 2008. He pointed out that Mr. Dziedzic was a state certified assessor, which could be beneficial to the Department.

Mr. Swan apprised that there were currently four counties that had approved the proposed Cold War Veterans' Tax Exemption, all of which were using the maximum amount. He added that approximately 15 counties were reviewing the option of enacting the exemption.

Todd Lunt, Director of Human Services, entered the meeting at 11:23 a.m.

Mr. Haskell asked what the impact would be to the County and Mr. Swan responded that the estimates he had given at the last Committee meeting were the best that he could come up with. He said that approximately 200 veterans were anticipated to apply and added that last week the Office had been contacted for the first time with regards to the exemption. Mr. Haskell inquired as to the maximum amount of the exemption and Mr. Swan replied that it was \$40,000 deducted from the assessed value.

Mr. Stec estimated that the exemption would be approximately \$120 per property and added that for 200 properties it would be approximately \$24,000. He proclaimed that he did not feel that an impact of \$24,000 was too much for deserving veterans. He apprised that he felt the eligibility dates for the current Veterans' Tax Exemption were limited and added that all veterans who had enlisted in the military had been aware that they might have to go to war. He said that he felt the Cold War Veterans' Tax Exemption was a positive program and he would like to see it adopted in Warren County. Mr. Haskell agreed that the Cold War Veterans' Tax Exemption was a good idea. He added that all veterans had served their nation whether it had been in times of war or peace.

Motion was made by Mr. Bentley, seconded by Mr. Strainer and carried

unanimously to approve the Cold War Veterans' Exemption at the maximum amount, as stated in Real Property Tax Law Section 458b, parts 2a and 2b. *A copy of the resolution request is on file with the minutes and the necessary resolution was authorized for the April 18, 2008 Board meeting.*

Mr. Swan referred to the Veterans' Tax Exemption that the County currently had in place and added that two years ago the assessment limit had been raised to \$180,000. He said that the Committee had requested that he research the impact to the County if the assessment limit was increased to \$220,000. He advised the impact could be as much as \$120 per exemption and 1,500 exemptions could have an impact on the County of approximately \$180,000. Mr. Stec noted that the Town of Queensbury had researched this as a hypothetical situation since they did not currently have a town tax. He added that the impact to the Town of Queensbury would have been approximately \$10,000. He related that the average home in the Town of Queensbury had an assessed value that exceeded \$180,000. He commented that he did not feel an impact of \$180,000 was too much for the veterans of Warren County. Mr. Swan stated that the estimate of \$180,000 was a maximum amount of impact and added that there were areas of the County where the assessed value of homes was much less and would not be affected by the increase. Mr. Stec estimated that approximately 10% of the homes of qualified veterans would exceed \$180,000 in assessed value and added that he thought the impact to the County would be closer to \$20,000. Mr. Swan advised that he would try to breakdown the impact further to see if he could obtain a more accurate figure, as there was no urgency to approve the increase, since the County had until March 1, 2009 to make a decision. In an answer to a question concerning second homes, Mr. Swan responded that the exemption only applied to a veterans primary residence. It was the consensus of the Committee to research this issue further before making a decision.

Mr. Dusek stated that the Committee had requested last year that the County Attorney's Office investigate the possibility of the County intervening on the settlement for the Word of Life property. He said that the settlement for the Word of Life property had been resolved; however, he added, that the question had arisen of whether the County should be intervening on some of these tax actions. He explained that in these tax actions, a taxpayer brought a tax action against the municipality, seeking an adjustment in the assessed value of their property. He apprised that the Towns usually dealt with the tax actions on their own; however, he added, sometimes the school district would become part of the tax action to protect their interests. Mr. Dusek noted that typically the County had not intervened on these tax actions in the past. He questioned if the County would have anything to gain if the Town and the school district were already involved.

Chairman Monroe advised that there had been over \$100,000 in taxes per year involved in the Word of Life property. He added that the settlement had been approximately \$35,000, of which the Town would receive 89% and the school district would receive 11%. He said that if the County had been involved, they would have received approximately 40%. Mr. Dusek apprised that the Word of Life case had been unusual and added that usually if there was an adjustment on the assessed value, everyone would share in the settlement equally. He suggested that the County only intervene in large tax action cases. Mr. Goodspeed suggested that Mr. Dusek write a letter to each of the Town Attorneys requesting that he be informed of tax assessment reduction requests. Mr. Dusek asked for a threshold so that he would only be informed of the tax actions that the County was interested in.

Discussion ensued.

Mr. Dusek stated that he would like to have a number, whether assessed value or appraised value, from which a dialog with the Town Attorneys could be initiated. Chairman Monroe advised that the number should be based on the total proposed tax reduction amount. Mr. Swan explained that there were million dollar properties in the Town of Lake George that were filing for an assessment reduction; however, he added, those properties were only requesting a reduction of about \$25,000. Mr. Dusek commented that the total reduction in taxes would include County, Town and school taxes, with the majority of it being school taxes. He added that a \$50,000 total reduction could affect the County by about \$10,000 to \$15,000.

Discussion ensued.

It was the consensus of the Committee that the County Attorney contact the Attorney for each municipality in Warren County and request to be informed of any request for a reduction in taxes of \$30,000 or more.

Mr. Dusek expounded that the County Attorney's Office had been requested to investigate the possibility of applying for Brownsfield Grant funding to be used on four potentially contaminated properties in Warren County. He added that the process never went forward, although he had been working with attorneys from the New York State Department of Environmental Conservation (DEC) on a property in the Town of Lake Luzerne. He said that there were four to six properties that the County had not foreclosed on due to possible contamination. He added that he had recommended that the County not foreclose on these properties, as they would then assume responsibility for the clean-up costs.

Mr. Dusek apprised that another grant program was available through the DEC and if they were accepted, the program would allow the County to initiate a foreclosure and use grant funding for the examination and possible clean-up of the property. He added that the Town of Warrensburg was currently using this grant program. He commented that with this grant program the County would have to be prepared to pay all of the costs up front, with a 90% reimbursement.

Mrs. Nenninger notified the Committee that she had spoken with the DEC with regards to the Brownsfield Grant program and had been informed that it was unknown when or if funding for this program would continue. The DEC suggested that the County begin the process by FOILING (Freedom of Information Law) the parcels, she continued, through the DEC and then they would discuss their position on each parcel. She noted that there were different grant programs available from the DEC; however, she added, the Brownsfield Grant program would be the most productive.

Mr. Strainer voiced his opinion that if a parcel required a \$500,000 clean-up and the County was required to pay \$50,000 (10%), it was only worth the cost and effort if the parcel was valued at more than \$50,000. Mr. Haskell countered that some of these parcels had not had taxes paid on them for 25 to 30 years and if they were put back on the tax rolls they would eventually be worthy of the initial expense. Chairman Monroe questioned the Town of Warrensburg's experience with the grant program. Mr. Geraghty responded that the Town of Warrensburg was using the program for two parcels. He said that the costs were paid up front to the engineers and vouchers were then submitted to the State. He explained that initially the payments from the State were received on a regular basis; however, he added, the State was now three months behind on payment of the vouchers. He noted that in-kind services could be done to make up the 10% matching funds; however, he continued, only certain services were allowed as in-kind services. He reported that he was still unsure about his opinion of the grant program and added that he would report back to the Committee following the completion of the second parcel this summer. He suggested that the Committee look at each property independently to decide if it was a good parcel to put back onto the tax rolls. He remarked that he was unsure how the DEC decided on which parcels received funding.

Mrs. Nenninger stated that some of the DEC grant programs were decided based on the spill reports. She added that by the time a municipality tried to save a parcel, the chances were good that the DEC were already aware of the possible contamination. She said that she had been informed that parcels that were not known to the DEC could apply for funding; however, she continued, typically the

funding was awarded to parcels that the DEC were already familiar with. Mr. Haskell requested Mr. Swan to present the Committee with a list of the parcels and their assessed values at the next meeting. In answer to a question concerning the taxes, Mr. Dusek said that the taxes continued to accrue as a lien against the property. In answer to a question concerning the type of contamination, Mr. Dusek replied that each of the parcels had a different story and added that one had been a landfill in the Town of Hague and another an auto repair garage in the Town of Johnsburg. Mr. Dusek suggested that the Committee review the parcels in question at the next meeting to decide which ones were worth trying to save. Mr. Haskell suggested that an estimation of the appraised value would be helpful, as well as the assessed value. Mr. Swan inquired if the Committee wanted an 'as is' appraisal or an appraised value if the parcel was cleaned up and Mr. Haskell replied that both would be helpful.

Mr. Stec informed the Committee that there was an ongoing project to expand the road and connect underground utilities on Main Street in the Town of Queensbury. He said that he recalled that there were some properties on the list of delinquent taxes that were on Main Street in the Town of Queensbury. He noted that there had been some difficulty in acquiring the necessary easements for the project. He apprised that there was some flexibility in the electrical design and placement of the transformers. He remarked that if there was a property available due to delinquent taxes and it could alleviate some of the arguments, it would be beneficial to alter the placement of the transformers to a parcel that did not require an easement. He stated that if there was any land on Main Street that was subject to foreclosure, he would like the Town of Queensbury to take ownership for this purpose. Mr. Swan commented that the current list had one property across from the Hess Station; however, he added, he would look at the list to see if there were others.

Mr. Haskell thanked Mr. Swan for attending the Thurman Town Board meeting and answering residents questions and concerns.

As there was no further business to come before the Real Property Tax Services Committee, on motion made by Mr. Goodspeed and seconded by Mr. Bentley, Mr. Haskell adjourned the meeting at 11:52 a.m.

Respectfully submitted,

Charlene DiResta, Legislative Office Specialist